

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director

JOHN R. BAZA Division Director

Inspection Report Minerals Regulatory Program March 29, 2011

	MALLY
Reviewed:	MAN /

Mine Name: Coyote Knoll 1-2-3	Permit Number: S/023/0086		
Operator Name: Mc Farland & Hullinger	Inspection Date: 03/24/2011		
Inspector(s): Wayne Western	Time: 11:30 AM - Noon		
Other Participants: none	Mine Status: Active		

	Elements of Inspection	Evaluated	Comment	Enforcement
1.	Permits, Revisions, Transfer, Bonds	\square	\boxtimes	
2.	Public Safety (shafts, adits, trash, signs, highwalls)			H
3.	Protection of Drainages / Erosion Control			H
4.	Deleterious Material	i i	H	
5.	Roads (maintenance, surfacing, dust control, safety)	H	H	H
6.	Concurrent Reclamation	ñ	i	H
7.	Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)			
8.	Water Impoundments	П	П	
9.	Soils	H	H	H
10.	Re-vegetation	H	H	
11.	Air Quality	H	H	
12.	Other	H		
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Purpose of Inspection:

This was a routine inspection.

Inspection Summary:

The Division gave conditional approve for transferring the permit from McFarland & Hullinger Company to Desert Mound Gold Inc. on March 14, 2011. The transferee must post a bond and sign the reclamation contract.

The highwalls at the site are near vertical and will have to be brought to a 1H to 1V slope at reclamation.

There is a water tank at the site along with a well. There is some minor amount of used equipment that should be removed.

Conclusions and Recommendations:

The Division should continue to inspect the site on an annual basis.

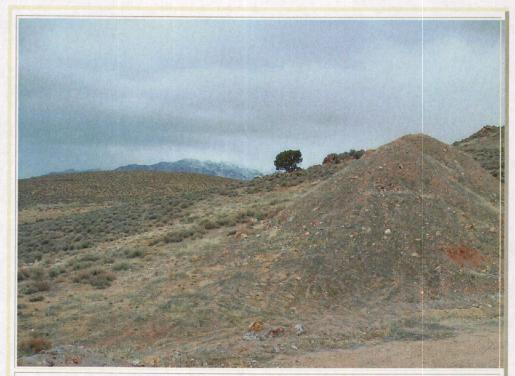
Inspection Date: March 24, 2011 Page 2 of 4 S/023/0086

Inspector's Signature Wayne Gelen Cer

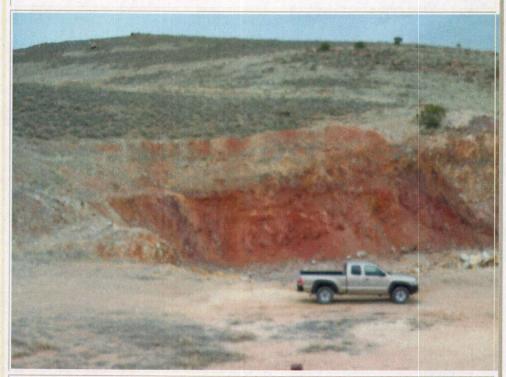
cc: McFarland & Hullinger

BLM-Fillmore-Jerry Mansfield

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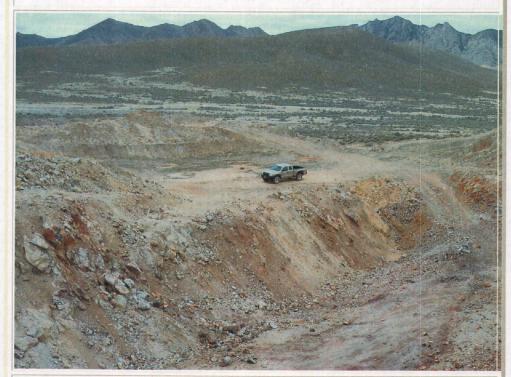
Edge of pit looking north



Pit looking north



Pit looking north east



Pit looking west